

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS ZAGREB 002687

SIPDIS

SENSITIVE

STATE FOR EB/TPP/ATP BYODER  
USDA FAS FOR DLP HWETZEL AND KWAINIO  
VIENNA FOR FAS

E.O. 12958: N/A

TAGS: [EAGR](#) [ETRD](#) [ECON](#) [HR](#)

SUBJECT: CROATIA REACTS TO U.S. CASE OF BSE, BANS IMPORTS

REF: STATE 348293

SUMMARY

1. (U) ON DECEMBER 24, CROATIA BANNED THE IMPORT OF U.S. BEEF IN RESPONSE TO NEWS REPORTS OF THE FIRST CASE OF BSE IN THE U.S. ON DECEMBER 29, EMBASSY PRESENTED REFTEL NOTIFICATION OF THE BSE CASE IN U.S. TO ASSISTANT MINISTER OF AGRICULTURE MIROSLAV BOZIC ON DECEMBER 29. WHILE CROATIA DOES NOT IMPORT BEEF FOR HUMAN CONSUMPTION FROM THE U.S., SOME PET FOOD IMPORTS WILL PROBABLY BE AFFECTED. END SUMMARY.

NOTIFICATION DELIVERED

2. (SBU) WE DELIVERED REFTEL NOTIFICATION OF THE BSE CASE IN WASHINGTON STATE TO ASSISTANT MINISTER BOZIC ON DECEMBER 29, AND PASSED A COPY TO THE MFA AS WELL. BOZIC WAS AWARE OF THE CASE, BUT THANKED US FOR OUR PROMPT OFFICIAL NOTIFICATION. WE DISCUSSED THE DECREE ISSUED BY THE MINISTRY ON DECEMBER 24 WHICH ADDED THE U.S. TO THE LIST OF COUNTRIES FROM WHICH BEEF CANNOT BE IMPORTED. BOZIC EMPHASIZED THAT THE BAN WAS TEMPORARY, THOUGH HE ADMITTED THAT NO COUNTRY HAD BEEN TAKEN OFF THE LIST SINCE IT WAS ESTABLISHED. HE THOUGHT THAT MIGHT CHANGE IN THE FUTURE, PERHAPS AS EARLY AS IN THE FIRST HALF OF 2004, BECAUSE OF PRESSURE FROM THE EU. BOZIC DID NOT THINK THE BAN WOULD AFFECT PET FOOD IMPORTS, WHICH HE UNDERSTOOD TO BE SOURCED FROM EU-ACCEPTED SOURCES, AND ASKED TO BE ADVISED IF THERE WERE ANY PROBLEMS.

3. (U) BOZIC NOTED THAT CROATIA STILL DOES NOT HAVE A SINGLE REPORTED CASE OF BSE. ALL COWS OVER 24 MONTHS OF AGE ARE EXAMINED UPON SLAUGHTER, AS WELL AS ANY COWS OF ANY AGE THAT EXHIBIT SUSPICIOUS SYMPTOMS.

CROATIA BANS U.S. BEEF

4. (U) IN A DECREE ISSUED DECEMBER 24 (WHICH WILL TAKE EFFECT WHEN PUBLISHED, PROBABLY ON DECEMBER 30), CROATIA ADDED THE UNITED STATES TO A LIST OF COUNTRIES FROM WHICH BEEF PRODUCT IMPORTS ARE BANNED. THE LIST NOW NUMBERS 24, AND INCLUDES CANADA AND ALL EU MEMBERS EXCEPT FOR SWEDEN. BEEF, BOVINE EGG CELLS, BEEF BY-PRODUCTS, AND MEAL FROM BEEF PRODUCTS FROM THESE COUNTRIES ARE BANNED. THE DECREE SPECIFICALLY EXEMPTS MILK, BOVINE SPERM AND EMBRYOS, GELATIN AND COLLAGEN (EXCEPT FROM PORTUGAL, IRELAND AND GREAT BRITAIN), AND BOVINE MATERIALS FOR PURELY INDUSTRIAL USE. THE DECREE ALSO EXEMPTS FOOD FOR CATS AND DOGS, AS LONG AS IT IS NOT FROM RUMINANTS, AND ANY RUMINANT-BASED RAW MATERIALS COME FROM A COUNTRY WHICH HAS NOT HAD ANY REGISTERED CASES OF BSE.

EFFECTS ON US TRADE

5. (SBU) THE U.S. DOES NOT CURRENTLY EXPORT BEEF TO CROATIA, ALTHOUGH IT THEORETICALLY COULD (BEFORE THE DECREE) FROM ANY PLANT CERTIFIED TO EXPORT TO THE EU. THE U.S. DID EXPORT APPROXIMATELY \$518,000 WORTH OF PET FOOD TO CROATIA IN 2002, AND U.S. BRANDS PRODUCED IN EUROPE AND EXPORTED TO CROATIA PROBABLY DO CONTAIN MANY U.S. INPUTS. WE CONTACTED MASTER FOODS, PROBABLY THE BIGGEST IMPORTER OF U.S. BRAND PET FOOD INTO CROATIA. JASMINKA ILICIC, HEAD OF INTERNATIONAL RELATIONS, TOLD US THAT SHE EXPECTS THE BAN TO AFFECT THEIR IMPORTS IN THE MEDIUM-TERM. FOR NOW, THE COMPANY HAS REQUESTED A WAIVER FROM THE GOC FOR PET FOOD PRODUCED BEFORE THE DATE OF THE BAN. IT ASKED FOR AND RECEIVED A SIMILAR WAIVER WHEN CROATIA BANNED BEEF PRODUCT IMPORTS FROM CANADA.

PRESS COVERAGE

6. (U) CROATIAN MEDIA GAVE ONLY MODERATE COVERAGE TO THE BSE CASE IN THE U.S. ONE PAPER CITED THE NEW YORK TIMES INTERVIEW WITH NOBEL PRIZE WINNER DR. STANLY PRUSINER, IN WHICH HE CRITIZED THE USG FOR NOT HAVE DONE MORE INTENSIVE TESTING. ANOTHER JOURNALIST SPECULATED THAT WHEN CONSUMPTION

OF BEEF FELL IN THE U.S., THERE WOULD BE PRESSURE ON THE PART  
OF U.S. FARMERS TO OBTAIN EXPORT SUBSIDIES AND TO DUMP CHEAP  
BEEF ON THE WORLD MARKETS, HARMING CROATIA